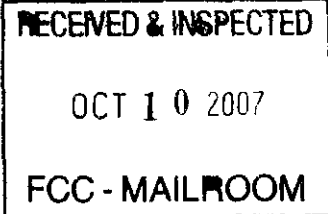


October 9, 2007



VIA OVERNIGHT MAIL

Marlene H. Dortch  
Office of the Secretary  
Federal Communications Commission  
9300 East Hampton Drive  
Capitol Heights, Maryland 20743

Re: NTS Communications, Inc.  
Annual Verification of System Audit Report  
Implementation of the Pay Telephone Reclassification and Compensation  
Provisions of the Telecommunications Act of 1996  
CC Docket No. 96-128

Dear Ms. Dortch:

NTS Communications, Inc. ("NTS"), by its undersigned Chief Financial Officer, hereby submits an original and four (4) copies of the document titled Independent Accountant's Report which is intended to serve as NTS' Annual Verification of System Audit Report in compliance with Section 64.1320(f) of the Commission's Rules.

Please acknowledge your receipt and filing of this document by returning the enclosed copy of this letter in the enclosed self addressed stamped envelope.

If you have any questions concerning this matter, please contact Jerry Hoover at 806-797-0687 ext 2081, or by e-mail to [jerryh@ntscm.com](mailto:jerryh@ntscm.com).

Sincerely,

Jerry E. Hoover  
Chief Financial Officer and  
Executive Vice President

Enc.

5367 W. Loop East, Suite 200

Fort Worth, TX 76116

TEL: 817-338-1500

FAX: 817-338-1500

WWW.NTSCOM.COM

No. of Copies rec'd 0+4  
List: ABCDE

**NTS**  
COMMUNICATIONS

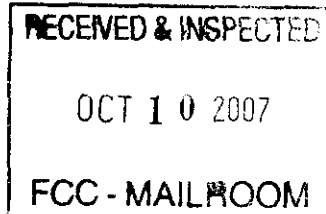


**phillips & associates, c.p.a.'s**

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Independent Accountant's Report

To the Board of Directors and Management  
NTS Communications, Inc.



We have examined NTS Communications, Inc.'s compliance with the Federal Communications Commission's (FCC) requirements for call tracking and compensating Payphone Service Providers (PSP) accurately and timely during the period of July 1, 2006 through June 30, 2007. Management is responsible for NTS Communications, Inc.'s compliance with those requirements. Our responsibility is to express an opinion on NTS Communications, Inc.'s compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about NTS Communications, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on NTS Communications, Inc.'s compliance with specified requirements.

In our opinion, NTS Communications, Inc. complied, in all material respects, with the aforementioned requirements for the period July 1, 2006 through June 30, 2007.

*Phillips & Associates, CPA's*

Phillips & Associates, CPA's  
September 7, 2007